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UNITED STATES DISTRICT COURT

NORTHERN DISTRICT OF CALIFORNIA

GREGER LEASING CORP., a Nevada corporation,

Plaintiff,

v.

Barge PT. POTRERO, official number) 523213, <u>in rem</u>, TED BUHL and JANE) DOE BUHL, individually, and the marital community composed thereof;) BUHL DIVING & SALVAGE, a sole) proprietorship, <u>in personam</u>

Defendants.

AND ALL RELATED ACTIONS

No. C-05-5117 SC

ORDER GRANTING
PLAINTIFF'S MOTION TO
ENFORCE ARBITRATION
AGREEMENT

I. INTRODUCTION

Plaintiff Greger Leasing Corp. ("Plaintiff") filed a Motion to Enforce the Arbitration Agreement with Defendants Ted Buhl and Buhl Diving & Salvage ("Defendants"). Defendants and Claimants Riverview Equipment LLC and Jerico Products, Inc. ("Claimants"), the current owner and bareboat charterer of the barge, opposed the Motion. Specifically, Plaintiff seeks to engage in contractual arbitration with Defendants and exclude Claimants from participating.

For the reasons stated herein, the Court hereby GRANTS Plaintiff's Motion to Enforce the Arbitration Agreement.

II. BACKGROUND

The facts surrounding the maritime lien and the arrest of $\underline{\text{in}}$ $\underline{\text{rem}}$ Defendant, the Barge Pt. Potrero ("Barge"), have been set

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forth in previous Orders of this Court, familiarity with which is presumed. For purposes of this Order, it is necessary to note that Plaintiff Greger Leasing signed a Towage Agreement (the "Agreement") with Buhl Diving & Salvage on May 28, 2005. See Chanco Decl., Exh. A. Pursuant to paragraph 17 of the Agreement, the parties agreed to arbitrate disputes under the Federal Arbitration Act, 9 U.S.C. § 1 et seq. Id. In its prior Order dated April 5, 2006, this Court granted Defendants' Motion to Stay and Compel Arbitration. See Docket No. 82. This Court ordered Plaintiff and Defendants to proceed to arbitration as provided by the Towage Agreement. Id.

III. <u>DISCUSSION</u>

The parties to the Agreement are Plaintiff and Defendants. Chanco Decl., Exh. A. As a result, this Court's prior Order instructed those two parties to proceed to arbitration. Docket No. 82. This did not include Claimants. As the Supreme Court has held, "an arbitration agreement must be enforced notwithstanding the presence of other persons who are parties to the underlying dispute but not to the arbitration agreement." Moses H. Cone Memorial Hosp. v. Mercury Constr. Corp., 460 U.S. 1, 20 (1983). Furthermore, the Federal Arbitration Act "simply requires courts to enforce privately negotiated agreements to arbitrate, like other contracts, in accordance with their terms." Volt Info. Sciences v. Board of Trustees, 489 U.S. 468, 478 (1989). In light of the Supreme Court's mandate, the contractual arbitration between Plaintiff and Defendants should commence. Claimants, though unable to participate, should take comfort that the

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Arbitratio	n Pan	el's	ruling	will	settle	the	key	issues	in	dispute
saving tim	e and	exp	ense.							

IV. CONCLUSION

The Court hereby GRANTS Plaintiff's Motion to Enforce the Arbitration Agreement. Claimants may not participate in the arbitration hearings.

IT IS SO ORDERED.

Dated: November 22, 2006

